



February 23, 2005

HOUSE BILL No. 1494

DIGEST OF HB 1494 (Updated February 22, 2005 6:21 pm - DI 77)

Citations Affected: IC 36-2.

Synopsis: Health care facility approval. Allows the members of a county executive to adopt an ordinance to require approval before certain health care facilities may be build in a county that contains a county hospital. Establishes criteria when considering an application for a new health care facility. Prohibits a county executive or county fiscal body member who is a member of the county hospital governing board from voting on an application.

Effective: July 1, 2005.

Foley

January 18, 2005, read first time and referred to Committee on Public Health.
February 22, 2005, amended, reported — Do Pass.

C
o
p
y

HB 1494—LS 6325/DI 97+



February 23, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

HOUSE BILL No. 1494

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-2-21 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2005]:

4 **Chapter 21. Health Care Facilities**

5 **Sec. 1. (a) This chapter applies to a county in which a county**
6 **hospital operated under IC 16-22-3 is located.**

7 **(b) This chapter does not apply to the following:**

8 **(1) A health care facility that maintained the facility's**
9 **principal premises in the county before the adoption of an**
10 **ordinance under section 4(a) of this chapter and the facility's**
11 **principal premises remains in the county continuously while**
12 **the ordinance is in effect.**

13 **(2) A health care facility that begins construction before an**
14 **ordinance adopted under section 4(a) of this chapter becomes**
15 **effective.**

16 **(3) A mobile vehicle or trailer used by a health care facility to**
17 **provide health care services that is leased under a binding**

HB 1494—LS 6325/DI 97+



C
o
p
y

agreement for at least twelve (12) months or purchased before the time an ordinance under section 4(a) of this chapter becomes effective.

Sec. 2. As used in this chapter "health care facility" means:

- (1) A hospital licensed under IC 16-21.
- (2) A private psychiatric institution licensed under IC 12-25-1.
- (3) An ambulatory outpatient surgical center licensed under IC 16-21.
- (4) Except for a health facility licensed under IC 16-28 or a hospital licensed under IC 16-22, a facility that provides health care services and is licensed by the state department of health.
- (5) Except for a health facility licensed under IC 16-28 or a hospital licensed under IC 16-22, a health care facility that provides health care services and that exceeds:
 - (A) two hundred thousand dollars (\$200,000) in planned construction costs; or
 - (B) one thousand five hundred (1,500) square feet.

The term includes a mobile vehicle or trailer used by the health care facility to provide health care services.

Sec. 3. As used in this chapter "health care services" means any care, treatment, service, or procedure provided by a health care facility to maintain, assess, diagnose, stabilize, or treat an individual's physical or mental condition.

Sec. 4. (a) A county executive may adopt an ordinance that requires a health care facility to obtain:

- (1) the county executive's; or
- (2) subject to section 7(a) of this chapter, the county fiscal body's;

approval before building a new health care facility in the county. The ordinance may limit the type of health care facilities or the types of expansion that require approval.

(b) An ordinance adopted under subsection (a) must include the following:

- (1) An application procedure. The ordinance may require a reasonable application fee sufficient to defray administrative costs.
- (2) Procedures that allow the public and interested parties to testify at a public hearing.

Sec. 5. To the extent that information is available, the following factors must be considered when determining the approval or disapproval of an application for a new health care facility:

**C
O
P
Y**



(1) The impact of the new health care facility on the county residents' ability to access new and high quality health care services.

(2) The current availability of alternative, less costly, or more effective means to satisfy the goals of the new health care facility.

(3) The immediate and long term financial feasibility of the new health care facility.

(4) The impact of the new health care facility on health care costs and charges for other health care facilities in the county.

(5) The fiscal impact on other health care facilities in the county.

(6) The availability of resources for the new health care facility, including management and personnel.

(7) The new health care facility's economic impact in the county, including the creation of new jobs.

(8) The capacity of health care facilities located in the county to improve the quality of health care services and to respond to customer preferences.

(9) The effect of competition on the efficient use of health care resources and providing quality health care.

(10) The contribution of the new health care facility in serving the county's medically underserved population, including low income persons, minorities, the disabled, and the elderly.

Sec. 6. The county executive shall publish notice of the hearing at least one (1) time at least ten (10) days before the hearing. The notice must meet the standards specified for public notices in IC 5-3-1.

Sec. 7. (a) If a majority of the members of the county executive serve as members of the county hospital governing board, then the county fiscal body shall vote to approve or disapprove an application presented under this chapter.

(b) A member of the county executive or the county fiscal body who is a member of the county hospital governing board may not vote on an application presented under this chapter.

Sec. 8. Unless the county executive violates this chapter, the county executive's approval or disapproval of an application under this chapter is not subject to judicial review.

**C
O
P
Y**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1494, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1494 as introduced.)

BECKER, Chair

Committee Vote: yeas 7, nays 4.

C
o
p
y

